

\*\*\*\* BILL NO. \*\*\*\*

INTRODUCED BY \*\*\*\*

BY REQUEST OF THE \*\*\*\*

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING COUNTY WATER AND/OR SEWER DISTRICT ADMINISTRATION LAWS; REMOVING CERTAIN APPOINTED COUNTY WATER AND/OR SEWER DISTRICT BOARD POSITIONS; CLARIFYING THE DATE A DIRECTOR'S TERM OF OFFICE BEGINS; REMOVING BOND REQUIREMENTS OF CERTAIN COUNTY WATER AND/OR SEWER DISTRICT ADMINISTRATIVE PERSONNEL; AMENDING SECTIONS 7-13-2231, 7-13-2232, 7-13-2234, AND 7-13-2262, MCA; REPEALING SECTION 7-13-2279, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 7-13-2231, MCA, is amended to read:

**"7-13-2231. Election or appointment of board of directors.** (1) The district shall elect a board of directors, except as provided in subsection (2).

(2) If no qualified electors reside in the district at a time when directors of the district are to be elected, the directors must be appointed in a certificate of appointment. The certificate of appointment must be signed by the owners of all of the real property in the district and must contain the signed acceptance of the appointment by all of the directors.

(3) The board of directors is the governing body of the district.

~~(4) When an appointed director's term expires, the position must be filled by election, except as provided in subsection (2)."~~

**Section 2.** Section 7-13-2232, MCA, is amended to read:

**"7-13-2232. Composition of board of directors.** ~~(1) If there are no municipalities within the boundaries of said district, the~~The board of directors shall consist of five elected members or three elected members if there are 10 or ~~less~~fewer qualified electors in the district.



(2) ~~In all cases where~~ the boundaries of ~~such a~~ district include any municipality or municipalities, ~~the board may include one additional non-voting ex officio member as provided in [section 3] for each municipality located within the district. Each non-voting ex officio member shall be appointed by the mayor of the municipality for which the non-voting ex officio member is allowed.~~

(3) ~~If the boundaries of the district include unincorporated territory, the board may include one additional non-voting ex officio member as provided in [section 3] appointed by the board of county commissioners of each county containing the unincorporated territory. said board, in addition to said five or three directors to be elected as aforesaid, shall consist of one additional director for each of said municipalities within such district, each such additional director to be appointed by the mayor of the municipality for which said additional director is allowed, and, if there be any unincorporated territory within said district, one additional director to be appointed by the board of county commissioners of each county containing such territory."~~

**NEW SECTION. Section 3. Non-voting ex officio members -- requirements -- compensation. (1)**

A district whose boundaries include any municipality or incorporated territory may include on its board of directors a non-voting ex officio member as allowed in 7-13-2232.

(2) A non-voting ex officio member:

(a) must be appointed by the mayor of the municipality or by the board of county commissioners of the county the member represents;

(b) serves at the pleasure of the appointing authority for the term of office allowed in 7-13-2234;

(c) is not entitled to compensation under 7-13-2273 but may receive compensation from the municipality or county the member represents; and

(d) is required to meet the qualifications of a director provided in 7-13-2233 except the non-voting ex officio member is exempt from the residency requirements provided in 7-13-2233(1)(d).

**Section 4.** Section 7-13-2234, MCA, is amended to read:

**"7-13-2234. Term of office.** (1) The term of office of a director begins on the first Monday of the month following the date of the director's election or appointment. A director, elected or appointed, shall hold office until the ~~election and qualification or the appointment and qualification of the~~ term of office of the



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ex officio  
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1 director's successor begins.

2 (2) Except as provided in subsection (3), the term of office of a director must be 4 years.

3 (3) (a) In districts requiring the election of five directors, three of the initial directors shall serve for a  
4 term of 2 years and two of the initial directors shall serve for a term of 4 years.

5 (b) In districts requiring the election of three directors, one initial director shall serve for a term of 2  
6 years and two initial directors shall serve for a term of 4 years.

7 (c) At the first meeting following an initial election or appointment of directors, the directors shall  
8 determine by lot who shall serve a 2-year term.

9 (4) Directors to be first appointed under the provisions of this part and part 23 must be appointed  
10 within 90 days after the formation of the district."

11  
12 **Section 5.** Section 7-13-2262, MCA, is amended to read:

13 **"7-13-2262. Vacancies on board of directors -- appointment.** (1) (a) Except as provided in  
14 subsections (2) and (3), any vacancy in the board of directors, whether the vacant office is elective or  
15 appointive, must be filled by majority vote of the remaining directors.

16 (b) A vacancy must be determined in accordance with 7-13-2263.

17 (2) If there are no directors remaining on the board and no nominees for any director position to be  
18 elected, the county commissioners may appoint the number of directors specified in 7-13-2232(1). If the district  
19 lies in more than one county, the county commissioners of each county with territory included in the district shall  
20 jointly appoint the directors. The county commissioners shall stagger the terms of the directors appointed.

21 ~~(3) If the boundaries of the district include any municipality or municipalities and a new board must be~~  
22 ~~appointed as provided in subsection (2), the board shall include one additional director to be appointed by the~~  
23 ~~mayor of the municipality for which the additional director is allowed.~~

24 ~~(4)(3)~~ Following the appointment of a board in accordance with subsection (2), the directors must be  
25 elected as provided in this part."

26  
27 **NEW SECTION. Section 6. ~~Section 5.~~ {standard} Repealer.** The following sections of the Montana  
28 Code Annotated are repealed:

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1 7-13-2279. Performance bonds for administrative personnel.

2 - END -